1 A bill to be entitled 2 An act relating to review of the Department of Community 3 Affairs under the Florida Government Accountability Act; 4 reenacting pt. V of ch. 420, F.S., the "Florida Housing 5 Finance Corporation Act," consisting of ss. 420.501, 420.502, 420.503, 420.504, 420.505, 420.506, 420.5061, 6 7 420.507, 420.508, 420.5087, 420.5088, 420.5089, 420.509, 8 420.5091, 420.5092, 420.5093, 420.5095, 420.5099, 420.51, 9 420.511, 420.512, 420.513, 420.514, 420.515, 420.516, 420.517, 420.521, 420.522, 420.523, 420.524, 420.525, 10 420.526, 420.527, 420.528, 420.529, 420.5295, 420.531, and 11 420.55, F.S.; amending s. 420.506, F.S.; providing for the 12 appointment of an inspector general of the Florida Housing 13 14 Finance Corporation; providing appointing authority 15 thereof; providing duties and responsibilities of the 16 inspector general; amending s. 420.0006, F.S.; removing an obsolete reference; replacing references to the inspector 17 general of the Department of Community Affairs with 18 19 references to the inspector general of the Florida Housing Finance Corporation, to conform; amending s. 20.055, F.S.; 20 21 revising the definitions of "state agency" and "agency 22 head" to include the Florida Housing Finance Corporation 23 within the state agencies within which the Office of 24 Inspector General is established; amending s. 420.504, F.S.; authorizing the Secretary of Community Affairs to 25 designate a senior-level agency employee to serve on the 26 27 board of directors of the Florida Housing Finance 28 Corporation; providing an effective date.

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Be It Enacted by the Legislature of the State of Florida:

Section 1. Part V of chapter 420, Florida Statutes, the "Florida Housing Finance Corporation Act," consisting of sections 420.501, 420.502, 420.503, 420.504, 420.505, 420.506, 420.5061, 420.507, 420.508, 420.5087, 420.5088, 420.5089, 420.509, 420.5091, 420.5092, 420.5093, 420.5095, 420.5099, 420.51, 420.511, 420.512, 420.513, 420.514, 420.515, 420.516, 420.517, 420.521, 420.522, 420.523, 420.524, 420.525, 420.526, 420.527, 420.528, 420.529, 420.5295, 420.531, and 420.55,

40 Florida Statutes, is reenacted.

Section 2. Section 420.506, Florida Statutes, as reenacted, is amended to read:

420.506 Executive director; agents and employees; inspector general.—

(1) The appointment and removal of an executive director shall be by the Secretary of Community Affairs, with the advice and consent of the corporation's board of directors. The executive director shall employ legal and technical experts and such other agents and employees, permanent and temporary, as the corporation may require, and shall communicate with and provide information to the Legislature with respect to the corporation's activities. The board is authorized, notwithstanding the provisions of s. 216.262, to develop and implement rules regarding the employment of employees of the corporation and service providers, including legal counsel. The board of directors of the corporation is entitled to establish travel

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procedures and guidelines for employees of the corporation. The executive director's office and the corporation's files and records must be located in Leon County.

The executive director shall appoint an inspector general with the advice and consent of the corporation's board of directors, who shall be the inspector general as required in s. 20.055, who shall be directly responsible to the executive director, and who shall serve at the pleasure of the executive director. The corporation's inspector general shall perform for the corporation the functions set forth in s. 20.055 and report to the executive director. The corporation shall be deemed an agency for the purposes of s. 20.055. The inspector general shall be responsible for carrying out the responsibilities set forth in s. 420.0006, internal affairs investigations, management reviews, and grievances and any other investigations as necessary. The inspector general shall see that all the rules issued by the corporation are strictly observed by all persons connected with the corporation. The inspector general and inspectors may enter any place where the corporation has an office and may review files, consult with employees, or obtain any information as necessary to conduct an investigation. The inspector general and inspectors shall be responsible for criminal and administrative investigation of matters relating to the corporation.

Section 3. Section 420.0006, Florida Statutes, is reenacted and amended to read:

420.0006 Authority to contract with corporation; contract requirements; nonperformance.—The secretary of the department

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shall contract, notwithstanding the provisions of part I of chapter 287, with the Florida Housing Finance Corporation on a multiyear basis to stimulate, provide, and foster affordable housing in the state. The contract must incorporate the performance measures required by s. 420.511 and must be consistent with the provisions of the corporation's strategic plan prepared in accordance with s. 420.511 and compatible with s. 216.0166. The contract must provide that, in the event the corporation fails to comply with any of the performance measures required by s. 420.511, the secretary shall notify the Governor and shall refer the nonperformance to the corporation's department's inspector general for review and determination as to whether such failure is due to forces beyond the corporation's control or whether such failure is due to inadequate management of the corporation's resources. Advances shall continue to be made pursuant to s. 420.0005 during the pendency of the review by the corporation's department's inspector general. If such failure is due to outside forces, it shall not be deemed a violation of the contract. If such failure is due to inadequate management, the corporation's department's inspector general shall provide recommendations regarding solutions. The Governor is authorized to resolve any differences of opinion with respect to performance under the contract and may request that advances continue in the event of a failure under the contract due to inadequate management. The Chief Financial Officer shall approve the request absent a finding by the Chief Financial Officer that continuing such advances would adversely impact the state; however, in any event the Chief

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Financial Officer shall provide advances sufficient to meet the debt service requirements of the corporation and sufficient to fund contracts committing funds from the State Housing Trust Fund so long as such contracts are in accordance with the laws of this state. The department inspector general shall perform for the corporation the functions set forth in s. 20.055 and report to the secretary of the department. The corporation shall be deemed an agency for the purposes of s. 20.055.

Section 4. Paragraphs (a) and (b) of subsection (1) of section 20.055, Florida Statutes, are amended to read:

20.055 Agency inspectors general.-

- (1) For the purposes of this section:
- (a) "State agency" means each department created pursuant to this chapter, and also includes the Executive Office of the Governor, the Department of Military Affairs, the Fish and Wildlife Conservation Commission, the Office of Insurance Regulation of the Financial Services Commission, the Office of Financial Regulation of the Financial Services Commission, the Public Service Commission, the Board of Governors of the State University System, the Florida Housing Finance Corporation, and the state courts system.
- (b) "Agency head" means the Governor, a Cabinet officer, a secretary as defined in s. 20.03(5), or an executive director as defined in s. 20.03(6). It also includes the chair of the Public Service Commission, the Director of the Office of Insurance Regulation of the Financial Services Commission, the Director of the Office of Financial Regulation of the Financial Services Commission, the executive director of the Florida Housing

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- Finance Corporation, and the Chief Justice of the State Supreme
  Court.
- Section 5. Subsection (3) of section 420.504, Florida

  Statutes, as reenacted, is amended to read:
  - 420.504 Public corporation; creation, membership, terms, expenses.—
  - (3) The corporation is a separate budget entity and is not subject to control, supervision, or direction by the Department of Community Affairs in any manner, including, but not limited to, personnel, purchasing, transactions involving real or personal property, and budgetary matters. The corporation shall consist of a board of directors composed of the Secretary of Community Affairs as an ex officio and voting member, or a senior-level agency employee designated by the secretary, and eight members appointed by the Governor subject to confirmation by the Senate from the following:
  - (a) One citizen actively engaged in the residential home building industry.
  - (b) One citizen actively engaged in the banking or mortgage banking industry.
  - (c) One citizen who is a representative of those areas of labor engaged in home building.
  - (d) One citizen with experience in housing development who is an advocate for low-income persons.
  - (e) One citizen actively engaged in the commercial building industry.
- (f) One citizen who is a former local government elected official.

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(g) Two citizens of the state who are not principally employed as members or representatives of any of the groups specified in paragraphs (a)-(f).

Section 6. This act shall take effect July 1, 2010.

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